



Luann G. Welmer, Clerk-Treasurer

**CITY COUNCIL MEETING
CITY HALL
TUESDAY, AUGUST 7, 2012
6:00 O'CLOCK P.M.**

I. Meeting Called to Order

- A. Opening Prayer
- B. Pledge of Allegiance
- C. Roll Call
- D. Acceptance of Minutes

II. Unfinished Business Requiring Council Action

None

III. New Business Requiring Council Action

- A. Reading of a Resolution entitled "RESOLUTION NO._____, 2012, RESOLUTION AUTHORIZING THE MAYOR AND THE CLERK-TREASURER TO EXECUTE STATEMENT OF BENEFIT FORMS IN CONJUNCTION WITH AN APPLICATION FOR TAX ABATEMENT IN A PREVIOUSLY DESIGNATED ECONOMIC REVITALIZATION AREA PURSUANT TO INDIANA CODE 6-1.1-12.1-7." (Master Power Transmission) Jim Clouse.
- B. First Reading of an Ordinance entitled "ORDINANCE NO._____, 2012, AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF COLUMBUS, INDIANA, TO REPEAL CHAPTER 8.36 OF THE COLUMBUS CITY CODE, SMOKING REGULATIONS." Kelly Benjamin.
- C. Reading of a Resolution entitled "RESOLUTION NO._____, 2012, A RESOLUTION OF THE CITY OF COLUMBUS, INDIANA, AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH THE CITY'S LEASE RENTAL REVENUE BONDS, SERIES 2003 (COLUMBUS LEARNING CENTER PROJECT)." Kelly Benjamin.

D1) First Reading of an Ordinance entitled "ORDINANCE NO. _____, 2012, AN ORDINANCE OF THE CITY OF COLUMBUS COMMON COUNCIL AUTHORIZING THE ISSUANCE OF COUNTY ECONOMIC DEVELOPMENT INCOME TAX REVENUE BONDS." Jim Lienhoop.

D2) Bond Exchange Agreement by and between City of Columbus, Indiana and First Financial Bank, National Association, as bondholder of the 2010 Bonds and purchaser of the 2012 Bonds. (City of Columbus Economic Development Income Tax Revenue Bonds, Series 2012). Jim Lienhoop.

IV. Other Business

A. Standing Committee and Liaison Reports

B. Discussion Items:

- Ambulance Proposal Update – Jeff Logston
- Additional Appropriation for Public Employees Retirement Fund (PERF) Budgets – Luann Welmer
- 2013 Budget – Mayor Kristen Brown

C. Next regular meeting is scheduled for Tuesday, **August 21, 2012 at 6:00 o'clock P.M. in City Hall.**

D. Adjournment.

RESOLUTION NO. , 2012

RESOLUTION AUTHORIZING THE MAYOR AND
THE CLERK-TREASURER TO EXECUTE STATEMENT
OF BENEFIT FORMS IN CONJUNCTION WITH
AN APPLICATION FOR TAX ABATEMENT IN
A PREVIOUSLY DESIGNATED ECONOMIC
REVITALIZATION AREA PURSUANT
TO INDIANA CODE 6-1.1-12.1-7

WHEREAS, the Common Council of the City of Columbus, Indiana, has previously designated, through various prior Resolutions, certain portions of the City of Columbus, Indiana, to be known as economic development target area as contemplated pursuant to **INDIANA CODE 6-1.1-12.1-7**; and

WHEREAS, **INDIANA CODE 6-1.1-12.1-1, et seq.** provides that the Common Council of the City of Columbus, Indiana, approve the Statement of Benefits form associated with the application in conjunction with personal and real property tax abatement areas previously designated as an economic revitalization area; and

WHEREAS, **Master Power Transmission** desires and seeks tax abatement associated with the proposed purchase of personal property as contemplated by **INDIANA CODE 6-1.1-12.1-7**; and

WHEREAS, the Common Council of the City of Columbus, Indiana, finds that:

- a. The estimate of the value of the proposed purchase of new manufacturing equipment is reasonable for equipment of that nature;
- b. The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed purchase and installation of new manufacturing equipment;
- c. The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed purchase and installation of new manufacturing equipment;
- d. Any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed purchase and installation of new manufacturing equipment;
- e. The deduction allowed for the proposed purchase and installation of new manufacturing equipment pursuant to **INDIANA CODE 6-1.1-12.1-4** shall be allowed for ten (10) years;
- f. The totality of benefits is sufficient to justify the deduction; and

WHEREAS, the Common Council of the City of Columbus, Indiana, deems it to be in the best interest of the City of Columbus, Indiana, in order to stimulate economic development and provide for additional jobs, that such personal property tax abatement be granted; and

WHEREAS, **Master Power Transmission** has submitted for purposes of review by the Common Council of the City of Columbus, Indiana, a Statement of Benefits form, a copy of which is attached hereto and made a part hereof as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED, by the Common Council of the City of Columbus, Indiana, that:

1. The Common Council of the City of Columbus, Indiana, finds that:
 - a. The estimate of the cost of the proposed purchase and installation of new manufacturing equipment is reasonable for equipment of that nature; and
 - b. The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed purchase and installation of the new manufacturing equipment;
 - c. The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed purchase and installation of new manufacturing equipment;
 - d. Any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed purchase and installation of new manufacturing equipment;
 - e. The deduction allowed for the proposed purchase and installation of the new manufacturing equipment pursuant to **INDIANA CODE 6-1.1-12.1-4** shall be allowed for ten (10) years;
 - f. The totality of benefits is sufficient to justify the deduction;

The Mayor of the City of Columbus, Indiana, and the Clerk-Treasurer of the City of Columbus, Indiana are hereby authorized by the Common Council of the City of Columbus, Indiana, to execute the statement of benefit form attached hereto as Exhibit A for purposes of facilitating the personal property tax abatement of the applicant herein.

Resolution No. ____, 2012
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ADOPTED BY THE COMMON COUNCIL OF COLUMBUS, INDIANA, on this the ____ day of August, 2012, by a vote of ____ ayes and ____ nays.

Presiding Officer of the
Common Council

ATTEST:

Clerk of the Common Council

Presented by me to the Mayor of Columbus, Indiana, this ____ day
of August, 2012 at ____ o'clock ____ .M.

Clerk-Treasurer

Approved and signed by me this ____ day of August, 2012, at
____ o'clock ____ .M.

Mayor of the City of
Columbus, Indiana



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

EXHIBIT A

FORM SB-1 / PP

PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment, and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved.
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

SECTION 1

TAXPAYER INFORMATION

| | |
|---|------------------------------------|
| Name of taxpayer Master Power Transmission | |
| Address of taxpayer (number and street, city, state, and ZIP code) 3300 Tenth Street, Columbus, IN 47201 | |
| Name of contact person Michael Cinquemani | Telephone number (864) 312-5101 |

SECTION 2

LOCATION AND DESCRIPTION OF PROPOSED PROJECT

| | | | |
|--|-----------------------|-----------------------------|-----------------------|
| Name of designating body City of Columbus | | Resolution number (s) | |
| Location of property 3300 Tenth Street, Columbus, IN 47201 | County Bartholomew | DLGF taxing district number | |
| Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (use additional sheets if necessary) Equipment used in the manufacture of enclosed gear reducers. | | ESTIMATED | |
| | | START DATE | COMPLETION DATE |
| | | Manufacturing Equipment | 08/31/2012 06/30/2013 |
| | | R & D Equipment | |
| | | Logist Dist Equipment | |
| IT Equipment | | | |

SECTION 3

ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

| | | | | | |
|----------------------|--------------------------|-----------------------|--------------------------|-------------------------|--------------------------|
| Current number 56 | Salaries 3,073,907.00 | Number retained 56 | Salaries 3,073,907.00 | Number additional 48 | Salaries 1,847,040.00 |
|----------------------|--------------------------|-----------------------|--------------------------|-------------------------|--------------------------|

SECTION 4

ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

| | | | | | | | | |
|---|-------------------------|----------------|-----------------|----------------|-----------------------|----------------|--------------|----------------|
| NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential. | MANUFACTURING EQUIPMENT | | R & D EQUIPMENT | | LOGIST DIST EQUIPMENT | | IT EQUIPMENT | |
| | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE |
| | Current values | | | | | | | |
| Plus estimated values of proposed project | | | | | | | | |
| Less values of any property being replaced | 0 | 0 | | | | | | |
| Net estimated values upon completion of project | | | | | | | | |

SECTION 5

WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

| | |
|--|--|
| Estimated solid waste converted (pounds) | Estimated hazardous waste converted (pounds) |
|--|--|

Other benefits:

SECTION 6

TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

| | | |
|--|--------------------------|---|
| Signature of authorized representative | Title PRESIDENT / CEO | Date signed (month, day, year) 6/20/12 |
|--|--------------------------|---|

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.

B. The type of deduction that is allowed in the designated area is limited to:

- | | | |
|--|------------------------------|-----------------------------|
| 1. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

G. Other limitations or conditions (specify) _____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

- | | |
|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** |

** For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

| | | |
|--|------------------|--------------------------------|
| Approved: (signature and title of authorized member) | Telephone number | Date signed (month, day, year) |
| Attested by: | Designated body | |

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

FIRST READING: August 7, 2012
SECOND READING: _____

ORDINANCE NO. _____, 2012

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF COLUMBUS, INDIANA,
TO REPEAL CHAPTER 8.36 OF THE COLUMBUS CITY CODE, SMOKING REGULATIONS**

WHEREAS, Indiana Code 36-1-3 et. seq. confers upon units of government within the State of Indiana such powers as necessary or desirable to conduct the affairs of local government; and

WHEREAS, Indiana Code 36-4-6-18 authorizes the Common Council of the City of Columbus, Indiana to pass such ordinances, orders, resolutions and motions as may be necessary and proper for the governmental unit to fulfill and satisfy the responsibilities and duties of said governmental unit; and

WHEREAS, the City adopted Chapter 8.36 of the Columbus City Code, regulating smoking within the City, prior to the State enacting any type of smoking regulation ban; and

WHEREAS, on July 1, 2012, Indiana Code 7.1-5-12, Prohibition on Smoking, was enacted providing state regulations and prohibitions on smoking in Public Places and Places of Employment; and

WHEREAS, Indiana Code 7.1-5-12 is overall stricter in prohibitions on smoking than Chapter 8.36 of the City Ordinance and such stricter prohibitions will supersede the City Ordinance; and

WHEREAS, it is the desire of the Common Council to avoid confusion for the citizens between the State Code and the City Ordinance, and to recognize the stricter and mandatory prohibitions of the State Code; and

WHEREAS, it is the desire of the Common Council to repeal the Prohibition on Smoking Ordinance under Chapter 8.36 of the Columbus City Code and comply with and adhere to Indiana Code 7.1-5-12, Prohibition on Smoking, as required by the state law.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF COLUMBUS, INDIANA, AS FOLLOWS:

Section I. Chapter 8, Article 36 of the Columbus City Code, Smoking Regulations, is hereby repealed.

Section II. All prior ordinances or parts thereof inconsistent with any provision of this Ordinance are hereby repealed.

Section III. The repeal of the Smoking Regulation Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

ADOPTED BY THE COMMON COUNCIL OF THE CITY OF COLUMBUS, INDIANA, on this the ____ day of August, 2012, by a vote of ____ ayes and ____ nays.

Kristen Brown, Mayor
Presiding Officer of the Common Council

ATTEST:

Clerk of the Common Council of Columbus, Indiana
Luann Welmer

Presented by me to the Mayor of Columbus, Indiana, this ____ day of August, 2012 at ____ o'clock ____m.

Luann Welmer
Clerk-Treasurer

Approved and signed by me this ____ day of August, 2012 at ____ o'clock ____m.

Kristen Brown
Mayor of the City of Columbus, Indiana

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF COLUMBUS, INDIANA,
AUTHORIZING AND APPROVING CERTAIN MATTERS IN
CONNECTION WITH THE CITY'S LEASE RENTAL REVENUE BONDS,
SERIES 2003 (COLUMBUS LEARNING CENTER PROJECT)**

WHEREAS, on June 25, 2003, the City of Columbus, Indiana (the "City") issued its bonds designated as the "City of Columbus, Indiana, Lease Rental Revenue Bonds, Series 2003 (Columbus Learning Center Project)" in the original aggregate principal amount of \$27,515,000 (the "Original Bonds"), which are payable from lease rentals paid to the Board of Aviation Commissioners of the City pursuant to a Lease Agreement dated as of June 1, 2003, between the Board and the Columbus Learning Center Management Corporation, in order to provide funds to finance the acquisition, construction, installation and equipping of a multipurpose educational facility known as the Columbus Learning Center and to pay related charges in connection therewith, all pursuant to Ordinance No. 17-2003, adopted by the Common Council of the City (the "Common Council") on June 17, 2003 (the "Bond Ordinance"); and

WHEREAS, as of the date hereof, the Original Bonds are outstanding in the aggregate principal amount of \$23,295,000; and

WHEREAS, pursuant to the terms of the Original Bonds and the Qualified Entity Purchase Agreement, dated June 19, 2003 (the "Original Purchase Agreement"), by and between the City and the Indiana Bond Bank (the "Bond Bank"), the Original Bonds maturing on or after January 15, 2014 are subject to redemption prior to maturity, at the option of the City, in whole or in part, on any date on or after July 15, 2013 (as may be determined by the City), at a redemption price equal to the principal amount of the Original Bonds to be redeemed, plus accrued interest to the redemption date, and without any redemption premium (such rights hereinafter referred to as the "Call Rights"); and

WHEREAS, on June 25, 2003, the Bond Bank issued its Indiana Bond Bank Special Program Bonds, Series 2003 D (Columbus Learning Center Project), in the aggregate principal amount of \$27,515,000 (the "Prior Bond Bank Bonds"), for the purpose of providing funds to purchase the Original Bonds from the City; and

WHEREAS, the Bond Bank has authorized and intends to issue its Indiana Bond Bank Special Program Refunding Bonds, Series 2012 C (Columbus Learning Center Project) (the "2012 Bond Bank Bonds"), for the purpose of refunding all or a portion of the Prior Bond Bank Bonds (the "Refunding Program"); and

WHEREAS, as a condition to sharing a portion of the economic benefits associated with the Refunding Program with the City, the Bond Bank has requested that (a) the City modify the Call Rights and evidence the modification of such Call Rights and receipt of such Call Rights Modification Credit (as hereinafter defined) (all in exchange for receiving a portion of the economic benefits associated with the Refunding Program) by executing and delivering its

Amended Bonds (as hereinafter defined), and (b) following the undertaking of the Refunding Program and satisfaction of the other terms and conditions set forth herein, exchanging the Amended Bonds for the outstanding Original Bonds; and

WHEREAS, pursuant to Section 22 of the Bond Ordinance, the rights and obligations of the City and of the owners of the Original Bonds may be modified or altered in any respect with the consent of the City and the consent of the owners of all the outstanding Original Bonds; and

WHEREAS, on the date hereof, the Bond Bank is the registered owner of all of the outstanding Original Bonds; and

WHEREAS, the City desires to adopt this Resolution for the purpose of authorizing the modification of the Call Rights and the execution and delivery of the Amended Bonds (in order to evidence the modification of such Call Rights), all in consideration for the Bond Bank (a) crediting to the City a portion of the economic benefits associated with the Refunding Program (the "Call Rights Modification Credit"), with such Call Rights Modification Credit being in the form of a reduction in one or more payments of debt service on the Original Bonds (which will be evidenced by the Amended Bonds), and (b) returning all of the outstanding Original Bonds to the City; and

WHEREAS, the Common Council has determined that a significant benefit to the City in the amount of the Call Rights Modification Credit will be effected by assisting the Bond Bank in the undertaking of the Refunding Program;

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF COLUMBUS, INDIANA, AS FOLLOWS:

Section 1. Authorization of Modification of Call Rights. The Common Council hereby determines that (a) the receipt of the Call Rights Modification Credit (in the form described in the recitals hereof) in exchange for the modification of the Call Rights by the City, and (b) the execution and delivery by the City of the Amended Bonds to the Bond Bank in exchange for the outstanding Original Bonds now held by the Bond Bank, in order to evidence the modification of such Call Rights and the receipt of the Call Rights Modification Credit (clauses (a) and (b), collectively, the "2012 Transaction"), is in the best interests of the City and is consistent with and in furtherance of the purposes for which the City was created and exists. The City is hereby authorized to modify the Call Rights and the proper officers of the City are authorized to execute and deliver the Amended Bonds, all in accordance with the terms and conditions of this Resolution.

Section 2. Amended Bonds. For the purpose of the 2012 Transaction, the City is authorized to execute and deliver replacement bonds designated as the "City of Columbus, Indiana, Lease Rental Revenue Bonds, Series 2003 (Columbus Learning Center Project) (Amended)," reflecting the modification of the Call Rights and the receipt of the Call Rights Modification Credit (the "Amended Bonds"), and exchange the Amended Bonds for all of the outstanding Original Bonds. All terms and conditions provided in the Bond Ordinance shall apply to the Amended Bonds. The form of the Amended Bonds shall be substantially the same as the Original Bonds, with such conforming changes as shall be necessary to reflect the terms

and conditions set forth in this Resolution and in the Amended Purchase Agreement (as defined herein), including the modification of the Call Rights. The Amended Bonds shall be executed and delivered in the same manner and in accordance with the terms and conditions of the Bond Ordinance and Indiana Code 8-22-2, as amended.

Section 3. Redemption Rights for Amended Bonds. Notwithstanding anything in the Original Bonds or the Original Purchase Agreement to the contrary, the Amended Bonds shall be subject to optional redemption prior to maturity on any date which is not more than thirty (30) days prior to the earliest redemption date for the 2012 Bond Bank Bonds, all as more specifically described in the Amended Purchase Agreement.

Section 4. Application of Call Rights Modification Credit. The Common Council hereby agrees that the Call Rights Modification Credit shall be applied to reduce one or more semi-annual debt service payments on the Original Bonds and that such reductions shall be evidenced by the Amended Bonds. The Call Rights Modification Credit shall be applied in a manner acceptable to the Bond Bank, and shall be set forth in a schedule to be attached to the executed Amended Purchase Agreement.

Section 5. Authorized Denominations of Amended Bonds. Notwithstanding anything in the Original Purchase Agreement or the Original Bonds to the contrary, the Amended Bonds may be executed and delivered in minimum denominations of \$0.01 or any integral multiple in excess thereof, or such other denominations as shall be requested by the Bond Bank and are acceptable to the Mayor of the City.

Section 6. Amended Purchase Agreement. The Mayor and the Clerk-Treasurer of the City are each hereby authorized and directed to execute a Qualified Entity Purchase Agreement to replace the Original Purchase Agreement (the "Amended Purchase Agreement") in such form or forms and with any and all such changes and revisions as they deem necessary, desirable or appropriate to carry out the intent of this Resolution and the purpose of the 2012 Transaction, and to deliver the Amended Purchase Agreement to the Bond Bank.

Section 7. Bond Bank Offering Document. Use of information concerning the City in any offering materials, including a preliminary official statement (the "Bond Bank Offering Document"), distributed in connection with the undertaking of the Refunding Program is hereby authorized, ratified and approved. The Mayor and the Clerk-Treasurer of the City, or their authorized designees, are each hereby authorized and directed to have prepared and delivered to the Bond Bank any information required for such use and further to deem and determine, if necessary, those portions of the Bond Bank Offering Document relating to the City, if any, as near final for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission, as amended.

Section 8. Further Actions. The Mayor and the Clerk-Treasurer of the City are each hereby authorized and directed, for and on behalf of the City, to execute, attest and seal all such documents, instruments and certificates and do all such acts and things as may be necessary, desirable or appropriate to effect the 2012 Transaction and to carry out the purposes of this Resolution and the execution and delivery of the Amended Bonds.

Section 9. Construction with Bond Ordinance. Notwithstanding anything herein to the contrary, the Bond Ordinance shall remain in full force and effect, it being understood that this Resolution does not amend or supplement the terms and provisions of the Bond Ordinance in any respect but instead modifies the Call Rights contained in the Original Bonds and the Original Purchase Agreement in a manner consistent with the parameters set forth in the Bond Ordinance. The execution and delivery of the Amended Bonds in exchange for the return of the Original Bonds and the other transactions contemplated by this Resolution are in no way intended to constitute a refunding or a reissuance of the Original Bonds for Indiana law purposes.

Section 10. Effective Date. This Resolution shall be in full force and effect from and after its having been passed by the Common Council and signed by the presiding officer.

Passed and adopted by the Common Council of the City of Columbus, Indiana, on the _____ day of _____, 2012.

Presiding Officer

ATTEST:

Clerk-Treasurer

Presented by me to the Mayor of the City of Columbus, Indiana, on the ____ day of _____, 2012.

Clerk-Treasurer

This Resolution approved and signed by me on the ____ day of _____, 2012.

Mayor

ATTEST:

Clerk-Treasurer

ORDINANCE NO. _____

**ORDINANCE OF THE CITY OF COLUMBUS COMMON COUNCIL AUTHORIZING
THE ISSUANCE OF COUNTY ECONOMIC DEVELOPMENT INCOME TAX
REVENUE BONDS**

WHEREAS, the Common Council (the "Common Council") of the City of Columbus, Indiana (the "City"), has considered the issuance of bonds to pay all or a portion of the costs of the projects described in Exhibit A hereto (collectively, the "Project"), to fund a debt service reserve fund for the bonds, and to pay related and incidental expenses to be incurred in connection therewith and on account of the issuance of the bonds; and

WHEREAS, it would be of public utility and benefit and in the best interests of the City and its citizens to pay the costs of the Project and incidental expenses in connection therewith and on account of the issuance of bonds therefor, such bonds to be issued as negotiable bonds of the City; and

WHEREAS, the Common Council deems it advisable to issue the bonds authorized by this Ordinance as "City of Columbus, Indiana Economic Development Income Tax Revenue Bonds, Series 2012" (the "2012 Bonds") in one or more series in an original aggregate principal amount not to exceed Seven Million Eight Hundred Forty-Five Thousand Dollars (\$7,845,000) (the "Authorized Amount") for the purpose of providing for the payment or reimbursement of all or any portion of the costs of the Project, including any preliminary expenses related thereto and all incidental expenses incurred in connection therewith, funding a debt service reserve fund for the bonds, and the costs of selling and issuing the 2012 Bonds; and

WHEREAS, the original principal amount of the 2012 Bonds, together with the outstanding principal amount of previously issued bonds which constitute a debt of the City, on the date of issuance of the 2012 Bonds will be no more two percent (2%) of one-third (1/3) of the total net assessed valuation of the City; and

WHEREAS, the amount of proceeds of the 2012 Bonds allocated to pay costs of the Project, together with estimated investment earnings thereon, does not exceed the cost of the Project as estimated by the Common Council; and

WHEREAS, a notice of a public hearing on the appropriation of the proceeds of the 2012 Bonds has been duly given by publication as required by law, and the hearing on such appropriation has been held, at which all taxpayers of the City had an opportunity to appear and express their views as to such appropriation; and

WHEREAS, the Common Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of the 2012 Bonds have been complied with in accordance with Indiana Code §6-3.5-7-14, and other applicable provisions of the Indiana Code (collectively, the "Act").

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMON COUNCIL
OF CITY OF COLUMBUS, INDIANA AS FOLLOWS:**

SECTION 1. Authorization for Bonds and Appropriation of Proceeds. In order to provide financing for the Project, funding a debt service reserve fund for the 2012 Bonds, and incidental expenses in connection therewith and on account of the issuance of the 2012 Bonds, the City shall borrow money and issue the 2012 Bonds as herein authorized. An appropriation in the amount not to exceed the Authorized Amount, together with all investment earnings thereon, shall be made to pay for the governmental purposes to be financed by the 2012 Bonds, and the funds to meet said appropriation shall be provided out of the proceeds of the 2012 Bonds in the original principal amount of not to exceed the Authorized Amount and such investment earnings. Said appropriation shall be in addition to all other appropriations provided for in the existing budget and tax levy.

SECTION 2. General Terms of Bonds. In order to procure said loan for such purposes, the Clerk-Treasurer is hereby authorized and directed to have prepared and to issue and sell negotiable bonds of the City, in one or more series, in an aggregate principal amount not to exceed the Authorized Amount, to be designated "City of Columbus, Indiana Economic Development Income Tax Revenue Bonds, Series 2012" for the purpose of providing financing for the Project and incidental expenses, such expenses to include without limitation all expenses of every kind incurred preliminarily to the funding of the Project, funding a debt service reserve fund for the 2012 Bonds, and costs of issuing the 2012 Bonds. Such 2012 Bonds shall be signed in the name of the City by the manual or facsimile signature of the Mayor of the City (the "Mayor") and attested by the manual or facsimile signature of the Clerk-Treasurer of the City (the "Clerk-Treasurer"), who shall affix the seal of the City to each of the 2012 Bonds manually or shall have the seal imprinted or impressed thereon by facsimile or other means. In case any officer whose signature or facsimile signature appears on the 2012 Bonds shall cease to be such officer before the delivery of the 2012 Bonds, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until delivery thereof. The 2012 Bonds shall also be authenticated by the manual signature of the Registrar (as hereafter defined). Subject to the provisions of this Ordinance regarding the registration of the 2012 Bonds, the 2012 Bonds shall be fully negotiable instruments under the laws of the State of Indiana.

The 2012 Bonds are, as to all the principal thereof and interest due thereon, special revenue obligations of the City, payable solely from the City's distributive share of the county economic development income tax revenues imposed and collected in Bartholomew County pursuant to IC 6-3.5-7-1, *et. seq.*, (the "EDIT Revenues"). The Common Council hereby pledges the EDIT Revenues to the 2012 Bonds pursuant to Indiana Code §6-3.5-7-14, and this pledge shall be binding from the time this Ordinance is adopted. The EDIT Revenues received by the City are immediately subject to the lien of this pledge without any further act. The City may pay the 2012 Bonds or the premium, if any, or the interest thereon from any revenue source legally available to the City, but shall not be obligated to pay the 2012 Bonds or the premium, if any, or the interest thereon except from the EDIT Revenues deposited into the Sinking Fund as defined below.

The 2012 Bonds shall be issued in denominations of Five Thousand Dollars (\$5,000) or any integral multiple thereof, shall be numbered consecutively from 1 upward, and shall be originally dated as of the first day of the month in which the 2012 Bonds are sold or the date of issuance as determined by the Clerk-Treasurer at the time of sale. The 2012 Bonds shall bear

interest payable semi-annually on January 15 and July 15 of each year, beginning on the January 15 or July 15 determined by the Clerk-Treasurer at the time of sale, at a rate equal to four and fifteen hundredths percent (4.15%) per annum. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. The 2012 Bonds shall mature serially on January 15 and/or July 15 as finally determined by the Mayor and the Clerk-Treasurer as evidenced by delivery of the executed initial issue of the 2012 Bonds to the Registrar for authentication, provided that the original aggregate principal amount of all series of the 2012 Bonds does not exceed the Authorized Amount and that the final maturity shall be no later than January 15, 2026.

All payments of interest on the 2012 Bonds shall be paid by check mailed one business day prior to the interest payment date to the registered owners thereof as of the first (1st) day of the month in which interest is payable at the addresses as they appear on the registration books kept by the Registrar (the "Registration Record") or at such other address as is provided to the Paying Agent (as hereafter defined) in writing by such registered owner. Each registered owner of \$1,000,000 or more in principal amount of 2012 Bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the record date for any payment. All principal payments on the 2012 Bonds shall be made upon surrender thereof at the principal corporate trust office of the Paying Agent in any coin or currency of the United States of America which on the date of such payment shall be legal tender for the payment of public and private debts, or in the case of a registered owner of \$1,000,000 or more in principal amount of 2012 Bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date.

Interest on 2012 Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date thereof unless such 2012 Bonds are authenticated after the first (1st) day of the month in which interest is payable and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless authenticated on or before the first (1st) day of the month of the first interest payment date, in which case they shall bear interest from the original date, until the principal shall be fully paid.

Each 2012 Bond shall be transferable or exchangeable only upon the books of the City kept for that purpose by the Registrar, by the registered owner thereof in person, or by his attorney duly authorized in writing, upon surrender of such 2012 Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new fully registered 2012 Bond or Bonds in the same aggregate principal amount, and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The costs of such transfer or exchange shall be borne by the City, except for any tax or governmental charge required to be paid in connection therewith, which shall be payable by the person requesting such transfer or exchange. The City, the Registrar and the Paying Agent may treat and consider the persons in whose names such 2012 Bonds are registered as the absolute owners thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

In the event any 2012 Bond is mutilated, lost, stolen or destroyed, the City may execute and the Registrar may authenticate a new bond of like date, maturity and denomination as that mutilated, lost, stolen or destroyed, which new bond shall be marked in a manner to distinguish it from the bond for which it was issued, provided that, in the case of any mutilated bond, such mutilated bond shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed bond there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the City and the Registrar, together with indemnity satisfactory to them. In the event any such bond shall have matured, instead of issuing a duplicate bond, the City and the Registrar may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The City and the Registrar may charge the owner of such 2012 Bond with their reasonable fees and expenses in this connection. Any bond issued pursuant to this paragraph shall be deemed an original, substitute contractual obligation of the City, whether or not the lost, stolen or destroyed 2012 Bond shall be found at any time, and shall be entitled to all the benefits of this Ordinance, equally and proportionately with any and all other 2012 Bonds issued hereunder.

SECTION 3. Terms of Redemption. The Mayor and the Clerk-Treasurer, upon consultation with the City's financial advisor, may designate maturities of 2012 Bonds (or portion thereof in integral multiples of \$5,000 principal amount each) that shall be subject to optional redemption and/or mandatory sinking fund redemption, and the corresponding redemption dates, amounts and prices (including premium, if any). Except as otherwise set forth in this Ordinance, the Mayor and the Clerk-Treasurer, upon consultation with the City's financial advisor, are hereby authorized and directed to determine the terms governing any such redemption.

Notice of redemption shall be mailed by first-class mail or by registered or certified mail to the address of each registered owner of a 2012 Bond to be redeemed as shown on the Registration Record not more than sixty (60) days and not less than ten (10) days prior to the date fixed for redemption except to the extent such redemption notice is waived by owners of 2012 Bonds redeemed, provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any 2012 Bond shall not affect the validity of any proceedings for the redemption of any other 2012 Bonds. The notice shall specify the date and place of redemption, the redemption price and the CUSIP numbers (if any) of the 2012 Bonds called for redemption. The place of redemption may be determined by the City. Interest on the 2012 Bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named, and thereafter, such 2012 Bonds shall no longer be protected by this ordinance and shall not be deemed to be outstanding hereunder, and the holders thereof shall have the right only to receive the redemption price.

All 2012 Bonds which have been redeemed shall be canceled and shall not be reissued; provided, however, that one or more new registered bonds shall be issued for the unredeemed portion of any 2012 Bond without charge to the holder thereof. No later than the date fixed for redemption, funds shall be deposited with the Paying Agent or another paying agent to pay, and such agent is hereby authorized and directed to apply such funds to the payment of, the 2012 Bonds or portions thereof called for redemption, including accrued interest thereon to the redemption date. No payment shall be made upon any 2012 Bond or portion thereof called for

redemption until such 2012 Bond shall have been delivered for payment or cancellation or the Registrar shall have received the items required by this Ordinance with respect to any mutilated, lost, stolen or destroyed 2012 Bond.

SECTION 4. Appointment of Registrar and Paying Agent. The Clerk-Treasurer is hereby authorized to serve as, or to appoint a qualified financial institution to serve as, registrar and paying agent for the 2012 Bonds (the "Registrar" or "Paying Agent"). The Registrar is hereby charged with the responsibility of authenticating the 2012 Bonds, and shall keep and maintain at its principal corporate trust office books for the registration and transfer of the 2012 Bonds. The Clerk-Treasurer is hereby authorized to enter into such agreements or understandings with such institution as will enable the institution to perform the services required of the Registrar and Paying Agent. The Clerk-Treasurer is authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent.

The Registrar and the Paying Agent may at any time resign as Registrar and Paying Agent by giving 30-days' written notice to the Clerk-Treasurer and to each registered owner of the 2012 Bonds then outstanding, and such resignation will take effect at the end of such 30 days or upon the earlier appointment of a successor Registrar and Paying Agent by the City. Such notice to the Clerk-Treasurer may be served personally or be sent by first-class or registered mail. The Registrar and Paying Agent may be removed at any time as the Registrar and the Paying Agent by the City, in which event the City may appoint a successor Registrar and Paying Agent. The City shall notify each registered owner of the Bonds then outstanding of the removal of the Registrar and the Paying Agent. Notices to registered owners of the Bonds shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the Registration Record. Any predecessor Registrar and Paying Agent shall deliver all the Bonds, cash and investments in its possession and the Registration Record to the successor Registrar and Paying Agent. At all times, the same entity shall serve as the Registrar and the Paying Agent.

SECTION 5. Form of Bonds. (a) The form and tenor of the 2012 Bonds shall be substantially as follows, all blanks to be filled in properly and all necessary additions and deletions to be made prior to delivery thereof:

R-__

UNITED STATES OF AMERICA
STATE OF INDIANA COUNTY OF BARTHOLOMEW

CITY OF COLUMBUS, INDIANA ECONOMIC DEVELOPMENT
INCOME TAX REVENUE BOND, SERIES 2012

| Interest <u>Rate</u> | Maturity <u>Date</u> | Original <u>Date</u> | Authentication <u>Date</u> |
|-------------------------|-------------------------|-------------------------|-------------------------------|
|-------------------------|-------------------------|-------------------------|-------------------------------|

REGISTERED OWNER:

PRINCIPAL SUM:

DOLLARS (\$_____)

The City of Columbus, Indiana (the "City"), for value received, hereby promises to pay to the Registered Owner set forth above, solely from the special revenue fund hereinafter referred to, the Principal Sum set forth above on the Maturity Date set forth above, and to pay interest thereon until the Principal Sum shall be fully paid, at the Interest Rate per annum specified above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the first day of the month in which interest is payable and on or before such interest payment date in which case it shall bear interest from such interest payment date, or unless this bond is authenticated on or before [January/July] 1, 201_, in which case it shall bear interest from the Original Date, which interest is payable semi-annually on each January 15 and July 15 of each year, beginning on [January/July] 1, 201_. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of this bond is payable at _____ (the "Registrar" or "Paying Agent"), in _____, Indiana. All payments of interest on this bond shall be paid by check mailed one business day prior to the interest payment date to the registered owner hereof as of the first day of the month in which interest is payable at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner, provided that each registered owner of \$1,000,000 or more in principal amount of bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the record date for any payment. All payments of principal of and premium, if any, on this bond shall be made upon surrender thereof at the principal corporate trust office of the Paying Agent in any coin or currency of the United States of America which on the dates of such payment shall be legal tender for the payment of public and private debts, or in the case of a Registered Owner of \$1,000,000 or more in principal amount of bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date.

This bond is one of an authorized issue of negotiable special revenue bonds of the City, of like original date, tenor and effect, except as to denomination, numbering, interest rates, and dates of maturity, in the total amount of _____ Dollars (\$_____), numbered consecutively from 1 upward, issued for the purpose of providing funds to pay for costs of the projects described in Exhibit A to the Ordinance (defined herein) and incidental expenses related thereto, to fund a debt service reserve for the bonds, and to pay the costs of the issuance of bonds therefor, as authorized by Ordinance No. _____ adopted by the City Common Council of the City on the ____ day of

_____, 2012, entitled "ORDINANCE OF THE CITY OF COLUMBUS COMMON COUNCIL AUTHORIZING ISSUANCE OF COUNTY ECONOMIC DEVELOPMENT INCOME TAX REVENUE BONDS" (the "Ordinance"), and in accordance with Indiana Code § 6-3.5-7-14 and other applicable provisions of the Indiana Code, as amended (collectively, the "Act"). The owner of this bond, by the acceptance hereof, agrees to all the terms and provisions contained in the Ordinance and the Act.

The City irrevocably pledges its distributive share of the county economic development income tax revenues imposed and collected in Bartholomew County pursuant to Indiana Code 6-3.5-7-1, *et. seq.* (the "EDIT Revenues") deposited into the Sinking Fund referred to in the Ordinance, to the extent necessary for that purpose, to the prompt payment of principal of and interest on the bonds authorized by the Ordinance, of which this bond is one, and any bonds hereafter issued on a parity therewith.

PURSUANT TO THE PROVISIONS OF THE ACT AND THE ORDINANCE, THE PRINCIPAL OF THIS BOND AND ALL OTHER BONDS OF SAID ISSUE AND THE INTEREST DUE THEREON ARE PAYABLE SOLELY FROM THE SINKING FUND REFERRED TO IN THE ORDINANCE TO BE PROVIDED FROM THE EDIT REVENUES. THE CITY SHALL NOT BE OBLIGATED TO PAY THIS BOND OR THE INTEREST HEREON EXCEPT FROM THE SINKING FUND.

[INSERT REDEMPTION TERMS]

This bond is subject to defeasance prior to payment as provided in the Ordinance.

If this bond shall not be presented for payment on the date fixed therefor, the City may deposit in trust with the Paying Agent or another paying agent, an amount sufficient to pay such bond, and thereafter the Registered Owner shall look only to the funds so deposited in trust for payment and the City shall have no further obligation or liability in respect thereto.

This bond is transferable or exchangeable only upon the books of the City kept for that purpose at the office of the Registrar by the Registered Owner in person, or by his attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the Registered Owner or his attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in the same aggregate principal amount, and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the Registered Owner, as the case may be, in exchange therefor. The City, any registrar and any paying agent for this bond may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes including for the purpose

of receiving payment of, or on account of, the principal hereof and interest due hereon.

The bonds maturing in any one year are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the execution, issuance and delivery of this bond have been done and performed in regular and due form as provided by law.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the Mayor of the City of Columbus, Indiana, has caused this bond to be executed in its corporate name by the manual or facsimile signatures of its duly elected, qualified and acting Mayor, its corporate seal to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by the Clerk-Treasurer of City of Columbus.

CITY OF COLUMBUS, INDIANA

By: _____
Mayor

(SEAL)

ATTEST:

Clerk-Treasurer

It is hereby certified that this bond is one of the bonds described in the within-mentioned Ordinance.

_____, as Registrar

By: _____
Authorized Representative

(b) The 2012 Bonds may, in compliance with all applicable laws, initially be issued and held in book-entry form on the books of the central depository system, The Depository Trust

Company, its successors or any successor central depository system appointed by the City from time to time (the "Clearing Agency"), without physical distribution of 2012 Bonds to the purchasers. The following provisions of this Section apply in such event.

(1) One definitive Bond of each maturity shall be delivered to the Clearing Agency (or its agent) and held in its custody. The City, the Registrar and the Paying Agent may, in connection therewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the holders of the 2012 Bonds as are necessary or appropriate to accomplish or recognize such book-entry form bonds.

(2) During any time that the 2012 Bonds remain and are held in book-entry form on the books of a Clearing Agency: (A) any such 2012 Bond may be registered upon the books kept by the Registrar in the name of such Clearing Agency or any nominee thereof, including Cede & Co., as partnership nominee of The Depository Trust Company; (B) except as otherwise described in the continuing disclosure contract described in Section 6 hereof, the Clearing Agency in whose name such Bond is so registered shall be, and the City, the Registrar and the Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such Bond for all purposes of this Ordinance, including, without limitation, the receiving of payment of the principal of and interest on such Bond, the receiving of notice and the giving of consent; (C) except as otherwise described in the Continuing Disclosure Agreement described in Section 6 hereof, neither the City nor the Registrar or the Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency or any person on behalf of which, or otherwise with respect to which, any such participant holds any interest in any 2012 Bond, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any 2012 Bond or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or interest or premium, if any, on any 2012 Bond, the receiving of notice or the giving of consent; and (D) the Clearing Agency is not required to present any 2012 Bond called for partial redemption prior to receiving payment, so long as the Registrar, the Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption.

(3) If either the City receives notice from the Clearing Agency which is currently the registered owner of the 2012 Bonds to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the 2012 Bonds or the City elects to discontinue its use of such Clearing Agency as a Clearing Agency for the 2012 Bonds, then the City, the Registrar and the Paying Agent each shall do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the 2012 Bonds, as are necessary or appropriate to discontinue the use of such Clearing Agency as a Clearing Agency for the 2012 Bonds and to transfer the ownership of each of the 2012 Bonds to such person or persons, including any other Clearing Agency, as the holders of the 2012 Bonds may direct in accordance with this Ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the 2012 Bonds, shall be paid by the City.

(4) During any time that the 2012 Bonds are held in book-entry form on the books of a Clearing Agency, the Registrar shall be entitled to request and rely upon a certificate or other written representation from the Clearing Agency or any participant or indirect

participant with respect to the identity of any beneficial owner of the 2012 Bonds as of a record date selected by the Registrar. For purposes of determining whether the consent, advice, direction or demand of a registered owner of a Bond has been obtained, the Registrar shall be entitled to treat the beneficial owners of the 2012 Bonds as the 2012 Bondholders, and any consent, request, direction, approval, objection or other instrument of such beneficial owner may be obtained in the fashion described in this Ordinance.

(5) During any time that the 2012 Bonds are held in book-entry form on the books of a Clearing Agency, the Mayor, the Clerk-Treasurer and/or the Registrar are authorized to execute and deliver a Letter of Representations agreement with the Clearing Agency or a Blanket Issuer Letter of Representations (the "DTC Letter of Representations"), and the provisions of any such DTC Letter of Representations or any successor agreement shall control on the matters set forth therein. The Registrar, by accepting the duties of the Registrar under this Ordinance, agrees that it will (A) undertake the duties of agent required thereby and that those duties to be undertaken by either the agent or the issuer shall be the responsibility of the Registrar, and (B) comply with all requirements of the Clearing Agency, including, without limitation, same day funds settlement payment procedures. Further, during any time that the 2012 Bonds are held in book-entry form, the provisions of this Section shall control over conflicting provisions in any other section hereof.

SECTION 6. Sale of Bonds. The Mayor and Clerk-Treasurer shall negotiate the sale of the 2012 Bonds on such terms as they deem desirable as evidenced by their execution and delivery of the 2012 Bonds at a price not less than ninety-nine percent (99.0%) of the par value thereof; provided all such terms shall comply with the terms of this Ordinance. Such officers are authorized to negotiate and execute a bond purchase agreement with a purchaser selected by such officers. After the 2012 Bonds have been properly sold and executed, the Clerk-Treasurer shall receive from the purchaser payment for the 2012 Bonds and shall provide for delivery of the 2012 Bonds to the purchaser. The Clerk-Treasurer is hereby authorized and directed to obtain legal opinion as to the validity of the 2012 Bonds from Barnes & Thornburg LLP, and to furnish such opinion to the purchaser of the 2012 Bonds. The cost of such opinion may be paid out of the proceeds of the 2012 Bonds.

The Mayor and/or Clerk-Treasurer are hereby authorized to deem final an official statement with respect to the 2012 Bonds, as of its date, in accordance with the provisions of Rule 15c2-12 of the U.S. Securities and Exchange Commission as amended (the "SEC Rule"), subject to completion as permitted by the SEC Rule, and the Common Council further authorizes the distribution of the deemed final official statement, and the execution, delivery and distribution of such document as further modified and amended with the approval of the Mayor and/or Clerk-Treasurer in the form of a final official statement.

In order to assist any underwriter of the 2012 Bonds in complying with paragraph (b)(5) of the SEC Rule by undertaking to make available disclosure about the City and the Bonds to participants in the municipal securities market, the Common Council hereby covenants, agrees and undertakes, in accordance with the SEC Rule, unless excluded from the applicability of the SEC Rule or otherwise exempted from paragraph (b)(5) of the SEC Rule, that it will comply with and carry out all of the provisions of the continuing disclosure contract. "Continuing disclosure contract" shall mean that certain continuing disclosure contract executed by the City

and dated the date of issuance of the 2012 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof. The execution and delivery by the Mayor and the Clerk-Treasurer of the continuing disclosure contract and the performance by the City of its obligations thereunder by or through any employee or agent of the City are hereby approved, and the City shall comply with and carry out the terms thereof.

SECTION 7. Funds and Accounts.

(a) Sinking Fund. The EDIT Revenues received by the City shall be used and applied by the City only as provided in this Ordinance. All such revenues shall be segregated and kept in special accounts separate and apart from all other funds of the City and shall be used and applied as set forth in this Ordinance. There is hereby created and established a fund known as the "City of Columbus 2012 Economic Development Income Tax Revenue Bond Sinking Fund" (the "Sinking Fund"). As they are received, the City shall set apart and pay all of the EDIT Revenues into the Sinking Fund to be used to pay the interest on and the principal of the 2012 Bonds; provided, however, that no deposit shall be made into such account whenever the balance therein is sufficient to pay the interest and principal payments on the 2012 Bonds and any Parity Obligations coming due in the succeeding twelve (12) months.

(b) Debt Service Reserve Fund. At the time of the sale of the Bonds, the Mayor and/or the Clerk-Treasurer, with the advice of the City's financial advisor, may determine to establish a debt service reserve fund for the 2012 Bonds (the "Reserve Fund"), which shall be funded in an amount determined by the financial advisor to be required to adequately secure the Bonds (the "Debt Service Reserve Requirement"). If at any time the Reserve Fund contains an amount less than the Debt Service Reserve Requirement, then after making the required deposits to the Sinking Fund under subsection (a), EDIT Revenues shall next be used to restore the deficiency in the Reserve Fund. All money in the Reserve Fund shall be used and withdrawn by the City solely for the purpose of making deposits into the Sinking Fund, in the event of any deficiency at any time in such fund, or for the purpose of paying the interest on or principal of or redemption premiums, if any, on the 2012 Bonds in the event that no other money is lawfully available therefor. Any amount in the Reserve Fund in excess of the Debt Service Reserve Requirement shall be withdrawn from the Reserve Fund and deposited in the Sinking Fund. Money in the Reserve Fund shall also be available to make the final payments of interest and principal on the 2012 Bonds.

(c) Excess Fund. There is hereby created and established a fund known as the "City of Columbus 2012 Economic Development Income Tax Revenue Excess Fund" (the "Excess Fund"). The EDIT Revenues remaining after making the required deposits to the Sinking Fund and Reserve Fund as described above shall be deemed excess funds and shall be deposited in the Excess Fund for appropriation and use as permitted by law. In the event of any deficiency at any time in the Sinking Fund, funds may be withdrawn from the Excess Fund and deposited into the Sinking Fund in the amount of such deficiency.

(d) Separate Funds and Accounts. All funds in said accounts shall be segregated and kept separate and apart from all other funds of the City and shall be deposited in lawful depositories of the City and continuously held and secured or invested as provided by law. Interest earned in each such account shall be credited to such account.

SECTION 8. Use of Bond Proceeds. If a Reserve Fund is deemed necessary in order to sell the 2012 Bonds, an amount equal to the Debt Service Reserve Requirement shall be deposited into the Reserve Fund from the proceeds of the 2012 Bonds. The remaining proceeds received from the sale of the 2012 Bonds shall be deposited in the "City of Columbus, Indiana, 2012 Economic Development Income Tax Revenue Project Fund" (the "*Project Fund*"). The proceeds deposited in the Project Fund shall be expended only for the purpose of paying expenses incurred in connection with the Project, together with the expenses incidental thereto and on account of the issuance of the 2012 Bonds. Any balance remaining in the Project Fund after the completion of the Project which is not required to meet unpaid obligations incurred in connection therewith and on account of the issuance of the 2012 Bonds may be used to pay debt service on the 2012 Bonds or otherwise used as permitted by law.

SECTION 9. Defeasance. If, when the 2012 Bonds or any portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the 2012 Bonds or any portion thereof for redemption have been given, and the whole amount of the principal and the interest so due and payable upon such 2012 Bonds or any portion thereof then outstanding shall be paid, or (i) cash, or (ii) direct non-callable obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America, and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, the principal of and the interest on which when due without reinvestment will provide sufficient money, or (iii) any combination of the foregoing, shall be held irrevocably in trust for such purpose, and provision shall also be made for paying all fees and expenses for the payment or redemption of 2012 Bonds, then and in that case the 2012 Bonds or such designated portion thereof shall no longer be deemed outstanding or secured by this Ordinance.

SECTION 10. Tax Covenants. In order to preserve the exclusion of interest on the 2012 Bonds and as an inducement to purchasers of the 2012 Bonds, the City represents, covenants and agrees that:

(a) The City will not take any action or fail to take any action with respect to the 2012 Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the 2012 Bonds pursuant to Section 103 of the Internal Revenue Code of 1986 as in effect on the date of issuance of the Tax-Exempt Bonds (the "*Code*"), including, without limitation, the taking of such action as is necessary to rebate or cause to be rebated arbitrage profits on the 2012 Bond proceeds or other monies treated as 2012 Bond proceeds to the federal government as provided in Section 148 of the Code, and will set aside such monies, which may be paid from investment income on funds and accounts notwithstanding anything else to the contrary herein, in trust for such purposes.

(b) The City will file an information report Form 8038-G with the Internal Revenue Service as required by Section 149 of the Code.

(c) The City will not make any investment or do any other act or thing during the period that any 2012 Bond is outstanding hereunder which would cause any Tax-Exempt Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations applicable thereto as in effect on the date of delivery of the 2012 Bonds.

Notwithstanding any other provisions of this Ordinance, the foregoing covenants and authorizations (the "Tax Sections") which are designed to preserve the exclusion of interest on the Tax-Exempt Bonds from gross income under federal income tax law (the "Tax Exemption") need not be complied with to the extent the City receives an opinion of nationally recognized bond counsel that compliance with such Tax Section is unnecessary to preserve the Tax Exemption.

SECTION 11. Amendments. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the 2012 Bonds then outstanding shall have the right, from time to time, to consent to and approve the adoption by the City of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the City for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this Ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting: (a) An extension of the maturity of the principal of or interest on any 2012 Bond, without the consent of the holder of each 2012 Bond so affected; (b) a reduction in the principal amount of any 2012 Bond or the rate of interest thereon, or a change in the monetary medium in which such amounts are payable, without the consent of the holder of each 2012 Bond so affected; (c) a preference or priority of any 2012 Bond over any other 2012 Bond, without the consent of the holders of all 2012 Bonds then outstanding; or (d) a reduction in the aggregate principal amount of the 2012 Bonds required for consent to such supplemental ordinance, without the consent of the holders of all 2012 Bonds then outstanding.

If the City shall desire to obtain any such consent, it shall cause the Registrar to mail a notice, postage prepaid, to the addresses appearing on the registration books held by the Registrar. Such notice shall briefly set forth the nature of the proposed supplemental ordinance and shall state that a copy thereof is on file at the office of the Registrar for inspection by all owners of the 2012 Bonds. The Registrar shall not, however, be subject to any liability to any owners of the 2012 Bonds by reason of its failure to mail such notice, and any such failure shall not affect the validity of such supplemental ordinance when consented to and approved as herein provided.

Whenever at any time within one year after the date of the mailing of such notice, the City shall receive any instrument or instruments purporting to be executed by the owners of the 2012 Bonds of not less than sixty-six and two-thirds per cent (66-2/3%) in aggregate principal amount of the 2012 Bonds then outstanding, which instrument or instruments shall refer to the proposed supplemental ordinance described in such notice, and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice as on file with the Registrar, thereupon, but not otherwise, the City may adopt such

supplemental ordinance in substantially such form, without liability or responsibility to any owners of the 2012 Bonds, whether or not such owners shall have consented thereto.

No owner of any 2012 Bond shall have any right to object to the adoption of such supplemental ordinance or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the City or its officers from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental ordinance pursuant to the provisions of this section, this Ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance of the City and all owners of 2012 Bonds then outstanding, shall thereafter be determined exercised and enforced in accordance with this Ordinance, subject in all respects to such modifications and amendments.

Notwithstanding anything contained in the foregoing provisions of this Ordinance, the rights and obligations of the City and of the owners of the 2012 Bonds, and the terms and provisions of the 2012 Bonds and this Ordinance, or any supplemental ordinance, may be modified or altered in any respect with the consent of the City and the consent of the owners of all the 2012 Bonds then outstanding.

Without notice to or consent of the owners of the 2012 Bonds, the City may, from time to time and at any time, adopt such ordinances supplemental hereto as shall not be inconsistent with the terms and provisions hereof (which supplemental ordinances shall thereafter form a part hereof), for the following purposes: (a) to cure any ambiguity or formal defect or omission in this Ordinance or in any supplemental ordinance; (b) to grant to or confer upon the owners of the 2012 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the 2012 Bonds; (c) to provide for the refunding or advance refunding of the 2012 Bonds; or (d) to make any other change which, in the determination of the Common Council in its sole discretion, is not to the prejudice of the owners of the 2012 Bonds.

SECTION 12. Parity Obligations. The City reserves the right to authorize and issue additional bonds payable from the EDIT Revenues, or otherwise pledge the EDIT Revenues to secure lease rental payments or other obligations, ranking on a parity with the 2012 Bonds (such bonds, lease rental payments or other obligations, "Parity Obligations"). In the event any Parity Obligations are issued pursuant to this Section 12, the term "2012 Bonds" in this Ordinance shall, unless the context otherwise requires, be deemed to refer to the 2012 Bonds and such Parity Obligations and other changes may be made herein as required to reflect the issuance of such Parity Obligations. Subject to the prior satisfaction of all of the terms of this Section 12, applicable to Parity Obligations generally, the future issuance of additional Parity Obligations is hereby authorized upon the adoption by the Common Council of an ordinance or ordinances supplemental hereto, which Parity Obligations shall have the same terms and be subject to the same provisions as set forth herein, except as otherwise provided by such supplemental ordinance. The authorization and issuance of Parity Obligations shall be subject to the following conditions precedent:

(a) Any such Parity Obligations shall not cause the City to exceed its debt limitation under Article 13, Section 1, of the Indiana Constitution or any statutory debt limitation as of the date of issuance.

(b) All interest and principal payments with respect to the 2012 Bonds and any outstanding Parity Obligations shall have been paid in accordance with their terms.

(c) All required deposits into the Sinking Fund and the Reserve Fund (if any) shall have been made in accordance with the provisions of this Ordinance.

(d) Either: (1) the EDIT Revenues of the City in the fiscal year immediately preceding the issuance of the additional Parity Obligations (together with the EDIT Revenues received and applied only to the principal and interest requirements on the 2012 Bonds) shall be not less than one hundred twenty-five percent (125%) (or such higher percentage as is determined by certification of the Mayor at the time of the sale of the 2012 Bonds upon advice of the City's financial advisor) of the maximum annual interest and principal requirements of the then outstanding 2012 Bonds and other Parity Obligations and the additional Parity Obligations proposed to be issued; or (2) the EDIT Revenues for the first full fiscal year immediately succeeding the issuance of any such additional Parity Obligations (together with the EDIT Revenues estimated to be received and applied only to the principal and interest requirements on the 2012 Bonds) shall be projected by a certified public accountant to be at least equal to one hundred twenty-five percent (125%) (or such higher percentage as is determined by certification of the Mayor at the time of the sale of the 2012 Bonds upon advice of the City's financial advisor) of the maximum annual interest and principal requirements of the then outstanding 2012 Bonds and other Parity Obligations and the additional Parity Obligations proposed to be issued. For purposes of this subsection, the records of the City shall be analyzed and all showings prepared by a certified public accountant or independent financial advisor employed by the City for that purpose.

(e) The interest on the additional Parity Obligations shall be payable semiannually on January 15 and July 15 in the years in which interest is payable and the principal of the additional Parity Obligations shall be payable in the years in which principal is payable on the same dates that principal is payable on the 2012 Bonds.

Except as otherwise provided in this Section, so long as any of the 2012 Bonds are outstanding, no additional bonds or other obligations secured by pledge of any portion of the EDIT Revenues of the City shall be authorized, executed or issued by the City except such as shall be made subordinate and junior in all respects to the 2012 Bonds, unless all of the 2012 Bonds are redeemed and retired coincidentally with the delivery of such additional bonds or

other obligations, or as provided in Section 9 hereof, funds sufficient to effect such redemption are available and set aside for that purpose at the time of issuance of such additional bonds or other obligations.

SECTION 13. Authorization to Pay 2010 Bonds. The Clerk-Treasurer is hereby authorized and directed to transfer all remaining proceeds of the City of Columbus, Indiana Economic Development Income Tax Revenue Bonds, Series 2010, dated as of December 15, 2010 (the "2010 Bonds"), to the City of Columbus 2010 Economic Development Income Tax Revenue Bond Sinking Fund to be used to retire the outstanding 2010 Bonds pursuant to IC 5-1-13-2(b). The Clerk-Treasurer is hereby authorized and directed to take all such actions and to execute all such agreements or instruments as she deems necessary or desirable to carry out the transactions contemplated by this Section.

SECTION 14. No Conflict. All ordinances, resolutions, and orders or parts thereof in conflict with the provisions of this Ordinance, are to the extent of such conflict hereby repealed. After the issuance of the 2012 Bonds and so long as any of the 2012 Bonds or interest thereon remains unpaid, except as expressly provided herein, this Ordinance shall not be repealed or amended in any respect which will adversely affect the rights of the holders of the 2012 Bonds, nor shall the City adopt any law, ordinance or resolution which in any way adversely affects the rights of such holders.

SECTION 15. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 16. Holidays, Etc. If the date of making any payment or the last date for performance of any act or the exercising of any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the City or the city in which the Registrar or Paying Agent is located are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

SECTION 17. Authority to Effectuate this Ordinance. The Mayor and the Clerk-Treasurer are hereby authorized and directed to take any and all other actions on behalf of the City as may be necessary, appropriate or desirable to carry out the purposes of this Ordinance and the issuance and sale of the 2012 Bonds in accordance with the Act and this Ordinance.

SECTION 18. Effectiveness. This Ordinance shall be in full force and effect from and after its passage.

PASSED AND ADOPTED by the Common Council of the City of Columbus, Indiana,
this ____ day of _____, 2012.

CITY OF COLUMBUS, INDIANA

Presiding Officer

Attest:

Clerk-Treasurer

Presented by me to the Mayor of the City of Columbus at _____.m., on the ____ day of _____, 2012.

Clerk-Treasurer

This Ordinance approved and signed by me, the Mayor of the City of Columbus, at _____.m., on the ____ day of _____, 2012.

Mayor

EXHIBIT A

The Project shall consist of road repair and repaving throughout the City and facilities repair and maintenance at various public facilities throughout the City, including, but not limited to, fire stations, parks and recreation facilities and the City garage.

BOND EXCHANGE AGREEMENT

This BOND EXCHANGE AGREEMENT is made and entered into as of _____, 2012 (the "Agreement"), by and between CITY OF COLUMBUS, INDIANA (the "City") and FIRST FINANCIAL BANK, NATIONAL ASSOCIATION, as bondholder of the 2010 Bonds (defined herein) and purchaser of the 2012 Bonds (defined herein) (the "Bank").

RECITALS

WHEREAS, the City previously issued the City of Columbus, Indiana Economic Development Income Tax Revenue Bonds, Series 2010, dated as of December 15, 2010, in the aggregate principal amount of Eight Million Two Hundred Thousand Dollars (\$8,200,000) (the "2010 Bonds"); and

WHEREAS, Seven Million Eight Hundred Forty-Five Thousand Dollars (\$7,845,000) aggregate principal amount of the 2010 Bonds remains outstanding on the date hereof; and

WHEREAS, the Bank is the sole bondholder of the 2010 Bonds; and

WHEREAS, the City now desires, on _____, 2012 (the "Closing Date"), to retire the 2010 Bonds and issue the City of Columbus, Indiana Economic Development Income Tax Revenue Bonds, Series 2012, to be dated as of the Closing Date, in the aggregate principal amount of Seven Million Eight Hundred Forty-Five Thousand Dollars (\$7,845,000) (the "2012 Bonds") on the terms set forth on Exhibit A attached hereto.

NOW THEREFORE, in consideration of the covenants and agreements hereinafter contained, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Bank hereby covenant and agree as follows:

1. On the Closing Date, the City shall wire to the Bank an amount equal to all outstanding principal and accrued interest on the 2010 Bonds, together with a redemption premium equal to \$_____ (the "Redemption Premium"). Upon delivery of such wire transfer, all of the 2010 Bonds shall be deemed fully paid, redeemed, defeased and discharged, and shall no longer be outstanding.
2. On the Closing Date, after receiving the wired funds referred to in Section 1, the Bank shall wire to the City the purchase price for the 2012 Bonds, which shall be equal to the issue amount of the 2012 Bonds of \$7,845,000, and the City shall issue the 2012 Bonds to the Bank as purchaser of the 2012 Bonds.
3. On the Closing Date and immediately upon delivery of the 2012 Bonds to the Bank, the Bank shall wire the full amount of the Redemption Premium back to the City.
4. Wire instructions, together with precise amounts for the transfers described in Sections 1 through 3 above, shall be provided to all parties prior to the Closing Date.

IN WITNESS WHEREOF, the parties hereto have caused this Bond Exchange Agreement to be executed for and on their behalf as of the day and year first herein above written.

CITY OF COLUMBUS, INDIANA

Luann Welmer, Clerk-Treasurer

FIRST FINANCIAL BANK, NATIONAL
ASSOCIATION

By: _____

Printed: _____

Title: _____

Exhibit A

Issuer: City of Columbus, Indiana

Designation: Economic Development Income Tax Revenue Bonds, Series 2012

Total Issue: \$7,845,000

Dated: _____, 2012

Purchaser: First Financial Bank, National Association

Interest Rate & Payment Dates: Interest shall be payable on January 15 and July 15 of each year, commencing _____, 20____, at the interest rate of 4.15% per annum.

Principal Payment Dates: Principal shall be payable on January 15, on the dates and in the amounts set forth below.

Redemption Provisions: The Bonds are subject to redemption, in whole or in part, at the option of the City beginning on _____, 20____ and on any date thereafter (each, a "Prepayment Date"), on ten (10) days' notice, in inverse order of maturities and by lot within a maturity, at a price equal to the face value of the bonds to be redeemed plus accrued interest to the Prepayment Date, together with a premium equal to the difference between (x) minus (y) where (x) is the "present value" of all unpaid installments of principal and interest on the bonds to be redeemed from the Prepayment Date up to and including the maturity date of such bonds, discounted at the Applicable Treasury Rate (as hereinafter defined), as determined by the holder of the bonds to be redeemed within thirty (30) days after the Prepayment Date, and (y) is the outstanding principal balance of the bonds to be redeemed as of the Prepayment Date. If the foregoing calculations result in a number less than or equal to zero (0) no prepayment premium shall be due, but no credit shall be due to the City. For purposes of this paragraph, "Applicable Treasury Rate" shall mean the U.S. Treasury Rate that is based on a maturity that most closely approximates the remaining maturity of the bonds to be refunded. By way of illustration, if the remaining maturity of the bonds to be refunded is five years, the five-year U.S. Treasury Rate would be the Applicable Treasury Rate hereunder.

Debt Service Reserve Fund: Bond proceeds will fund a debt service reserve fund in the amount of \$784,500, which equals ten percent (10%) of the stated principal amount of the Bonds.

Maturity Schedule

| <u>Maturity</u> | <u>Principal Amount</u> | <u>Maturity</u> | <u>Principal Amount</u> |
|-----------------|-----------------------------|-----------------|-----------------------------|
| 1/15/13 | \$405,000 | 1/15/20 | \$ 495,000 |
| 1/15/14 | 410,000 | 1/15/21 | 515,000 |
| 1/15/15 | 425,000 | 1/15/22 | 540,000 |
| 1/15/16 | 435,000 | 1/15/23 | 565,000 |
| 1/15/17 | 450,000 | 1/15/24 | 590,000 |
| 1/15/18 | 465,000 | 1/15/25 | 620,000 |
| 1/15/19 | 480,000 | 1/15/26 | 1,450,000 |